

# HOUSE BILL No. 1365

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 12-17-18-22; IC 12-17-19.

**Synopsis:** Employer sponsored children's insurance subsidies. Provides for subsidies to be paid from the children's health trust fund for the employee's share of premiums and costs of dependent child coverage under employer sponsored group health plans for children who are eligible for the children's health insurance program (CHIP). Provides certain requirements that must be met before a subsidy may be paid. Requires the office of the children's health insurance program to annually evaluate the number of children covered under the children's health insurance program who were previously covered under an employer sponsored group health plan. Establishes the children's health trust fund for the purpose of subsidizing children's health programs.

**Effective:** July 1, 1999.

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**Goeglein, Crawford, Budak,  
Brown C**

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January 12, 1999, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

## HOUSE BILL No. 1365

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 12-17-18-22 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 1999]: **Sec. 22. (a) Funds from the children's**  
4 **health trust fund established under IC 12-17-19 shall be used to**  
5 **subsidize premiums for dependent coverage of eligible children**  
6 **through employer sponsored group health plans.**

7       (b) Subsidies paid under subsection (a) must comply with the  
8 premium and cost sharing limitations under section 14 of this  
9 chapter.

10       (c) A subsidy may be paid under subsection (a) only if:

11           (1) the office has certified the employer sponsored group  
12 health plan as actuarially equivalent to the health insurance  
13 coverage offered under section 18 of this chapter;

14           (2) the employer contributes at least sixty percent (60%) of  
15 the cost of family coverage under the employer sponsored  
16 group health plan;

17           (3) the cost of the subsidy is not greater than the cost of



coverage under:

(A) section 18 of this chapter; or

(B) the Medicaid program under IC 12-15;

(4) the family has applied for the full premium contribution available from the employer; and

(5) the child has not been covered under an employer sponsored group health plan within the previous six (6) months unless:

(A) the prior coverage was involuntarily terminated by a person other than the current employer; or

(B) the child is a newborn not covered by dependent coverage.

(d) The office shall annually evaluate the number of children covered under:

(1) section 18 of this chapter; or

(2) the Medicaid program under IC 12-15;

who were previously covered under employer sponsored group health coverage.

SECTION 2. IC 12-17-19 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

#### **Chapter 19. Children's Health Trust Fund**

**Sec. 1.** As used in this chapter, "fund" refers to the children's health trust fund established by this chapter.

**Sec. 2.** The children's health trust fund is established for the purpose of receiving, holding, and disbursing funds from the Master Settlement Agreement tobacco settlement. The fund shall be administered by the office of the secretary.

**Sec. 3.** Money from the fund shall be used to subsidize programs aimed toward improving children's health and children's health care.

**Sec. 4.** The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

**Sec. 5.** Money in the fund at the end of a state fiscal year does not revert to the state general fund.

